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SRI R. SURYANARAYANA RAO :—" May I know whether the Hon. the Chief Justice of the High Court is competent to re-employ or give extensions of service to any of the officers employed in the High Court?"

THE HON. SRI K. MADHAVA MENON :—" Yes, Sir, the Constitution Act is quite clear on the point."

Provision for rural housing in the Budget for 1950–51.

* 15 *Q*.—SRI R. SURYANARAYANA RAO : Will the Hon. the Minister for Prohibition be pleased to state how the Government propose to utilize the provision for rural housing in the Budget for 1950–51?

THE HON. SRI N. SANJEEVA REDDI :—" The provision made in the budget for rural housing will be utilized for the grant of state loans to housing societies proposed to be organized in villages in pursuance of the scheme sanctioned by Government in April 1950. Under this scheme, separate housing societies will be organized in rural areas, one village in each District being selected for the purpose. State loans will be advanced for the construction of about 20 houses in each village. The maximum amount of loan for each house will be restricted to Rs. 5,000. The societies will borrow money from the Government and pass on the loans to members of societies in instalments for construction of houses for their residence. A provision of Rs. 15 lakhs in the Budget Estimate for 1950–51 has been made as a begining. Subject to the availability of funds, provision will be made in subsequent years also and the scheme extended to other villages as well."

SRI R. SURYANARAYANA RAO :—" May I know whether it is the policy of the Government to encourage construction of small houses to meet the needs of people with small incomes?"

THE HON. SRI N. SANJEEVA REDDI :—" That is exactly why we have reduced the maximum loan to five thousand rupees. It may be for a sum of two thousand or three thousand rupees even."

SRI B. BHIMA RAO :—" Sir, will Government supply necessary materials for the construction of middle class houses instead of giving them loans?"

THE HON. SRI N. SANJEEVA REDDI :—" Materials also are given at controlled rates wherever possible."

Utilization of the balance of food bonus on the quantities of foodgrains procured in this State.

* 16 *Q*.—SRI R. SURYANARAYANA RAO : Will the Hon. the Minister for Food be pleased to state with reference to the answer to question No. 87 given on the 7th January 1950, what the proposals of the Government are for the utilization of the balance of food bonus received from the Government of India on the quantities of foodgrains procured in the Madras State?

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THE HON. SRI J. L. P. ROCHE VICTORIA :—" The Government of India originally sanctioned a sum of Rs. 210·43 lakhs as food bonus to Madras State on the quantities of foodgrains procured during the period November 1947 to February 1949. Out of this, a sum of Rs. 66·63 lakhs was adjusted to meet the losses incurred by this Government on the distribution of foodgrains procured from extra provincial sources in India during the period November 1947 to October 1948 and there was a balance of Rs. 143·80 lakhs pending adjustment. Since March 1949 upto the end of February 1950 a further sum of Rs. 183·92 lakhs has been estimated as due to this Government from the Government of India on the further quantities of foodgrains procured during that period. Thus the total amount available in the bonus fund for adjustment in favour of this State at the end of 1949–50 is estimated at Rs. 327·72 lakhs (143·80+183·92). The Government of India have since agreed to adjust from this bonus fund a sum of Rs. 228·67 lakhs representing the estimated total subsidy cost of approved Intensive Cultivation schemes in this State for the year 1949–50. The actual subsidy cost incurred on these schemes during 1949–50 is now being worked out, for the purpose of getting the necessary adjustment made by the Accountant General, Madras. The question of moving the Government of India to permit this Government to adjust the balance available in the bonus fund to the credit of this State against the further losses incurred by this Government on the distribution of food grains imported from extra Provincial Sources during 1949–50 is now engaging the attention of this Government."

State-aid to Messrs. Mohan Industries, Limited, Tenali.

* 17 Q.—SRI R. SURYANARAYANA RAO: Will the Hon. the Minister for Industries be pleased to state—

(*a*) whether any State-aid was given to the Messrs. Mohan Industries, Limited;

(*b*) if the answer to (*a*) is in the affirmative, the purpose for and the conditions under which the aid was given;

(*c*) whether the amount sanctioned has been disbursed;

(*d*) whether the Government satisfied themselves that the conditions of the grant were fulfilled before the amount was disbursed;

(*e*) whether the Government are aware that there are complaints that in this case the amount was disbursed before the fulfilment of conditions stipulated; and

(*f*) whether the Government will make a statement setting forth the facts of the case?

THE HON. SRI K. MADHAVA MENON (on behalf of the Hon. Sri C. Perumalswami Reddi) :—" (*a*) Yes, Sir.